

COMMONWEALTH OF KENTUCKY

BEFORE THE ENERGY REGULATORY COMMISSION

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IN THE MATTER OF:)	
)	
RESIDENTIAL CONSERVATION SER-)	
VICE PLAN FOR KENTUCKY UNDER)	CASE NO. 7880
THE NATIONAL ENERGY CONSERVA-)	
TION POLICY ACT OF 1978)	

RECOMMENDATION RE REQUEST OF HENDERSON-
UNION RURAL ELECTRIC COOPERATIVE CORPORATION
FOR A TEMPORARY EXEMPTION UNDER THE PROVISIONS
OF THE NATIONAL ENERGY CONSERVATION POLICY ACT OF 1978

Henderson-Union Rural Electric Cooperative Corporation of Henderson, Kentucky (Henderson-Union), has applied for a temporary exemption from the requirements of Section 215, National Energy Conservation Policy Act, P.L. 95-619 (the Act) for a period not to exceed three years. The Commission has considered the application of Henderson-Union and its statements in support of its application made at the June 3, 1980, hearing in this matter.

Henderson-Union is a rural electric distribution cooperative which serves some 13,913 consumers in a seven county area of western Kentucky. Among its consumers are two large, energy-intensive industries which are served under special contracts. These industries are served directly from the transmission lines of Henderson-Union's wholesale power supplier, and each provides its own transformation facilities. Of Henderson-Union's 2.6 billion kWh sales in 1979, 2.35 billion kWh were sold to these large industries. Only 149 million kWh (approximately 6% of total kWh sales) were sold to residential consumers. However, sales to the large industrial consumers are included in the calculation of kWh sales for purposes of determining coverage under the Act, Section 211.

Henderson-Union currently has an energy conservation program which was created in response to the mandate of the Rural Electrification Administration in its Bulletin 20-2, as supplemented. Henderson-Union has requested that the REA program as implemented by Henderson-Union be approved as a temporary program for a period of three years to provide Henderson-Union, a very small utility, sufficient opportunity to prepare to meet the full requirements of the Act and to coordinate those requirements with its overlapping energy conservation obligation to REA.

We find that the energy conservation program outlined in the request of Henderson-Union adequately addresses the requirements of the Act on a temporary basis. We therefore recommend that the Assistant Secretary of the United States Department of Energy approve the temporary exemption proposed by Henderson-Union for a period of three years beginning with the date of approval of the exemption, in accordance with the provisions of Section 218 of the Act.

Done at Frankfort, Kentucky, this 6th day of June, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary